

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:2641

ANSWERED ON:13.03.2000

BIDS BY NTPC FOR EQUIPMENT SUPPLIERS

GADDE RAMAMOCHAN;GORDHANBHAI JAVIA;M.V.V.S MURTHI;RAMSHETH THAKUR;SHIVAJI MANE

Will the Minister of POWER be pleased to state:

(a) whether the attention of the Government has been drawn to the news-item captioned `NTPC, Ministry rift widens over Kawas, Gandhar bids` appearing in the Hindustan times, dated February 17, 2000;

(b) if so, the facts and details of the matter reported therein;

(c) whether the bids of both ABB, Alstom Power and BHEL Siemens AG of Germany are unresponsive and both have deviated in a big way;

(d) if so, the reasons therefor and reaction of the Government thereto; and

(e) the reasons for insisting National Thermal Power Corporation to go ahead for negotiation with ABB, Alstom Power instead of opting fresh snap bids to select equipment suppliers?

Answer

THE MINISTER OF POWER

(SHRI P.R. KUMARAMANGALAM)

(a) : Yes, Sir.

(b) to (e) : National Thermal Power Corporation Ltd. had drawn up an expansion plan for four gas based projects, viz. Kawas CCPP-II, Jhanor-Gandhar CCPP-II, Anta CCPP-II and Auraiya CCPP-II of a capacity of 650 MW each aggregating to 2600 MW targeted for commissioning within the 9th Plan period. The bidding process for these projects were initiated by NTPC during 1998 and till date the bids could not be finalised due to various technical reasons. As the projects are of vital national importance, the government is anxious that no further time in implementing these projects is lost due to various operational reasons.

NTPC was accordingly advised by the Ministry in the public interest to finalise the bids by negotiating with the bidders on the basis of a legal opinion taken from the Additional Solicitor General. However, NTPC, taking into account certain major deviations on various specifications and requirements, treated both the bids non-responsive and decided to rebid. A review of bidding conditions has been undertaken by NTPC and rebidding is being done by providing adequate time to the bidders for better competition and response. There is no rift between the Government and NTPC.